

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1004 be amended to read as follows:

- 1 Page 18, delete lines 29 through 42.
- 2 Delete pages 19 through 22.
- 3 Page 23, delete lines 1 through 3, begin a new paragraph and insert:
- 4 "SECTION 19. IC 4-31-1-2 IS AMENDED TO READ AS
- 5 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. The ~~purpose~~
- 6 **purposes** of this article ~~is~~ **are**:
- 7 (1) to permit pari-mutuel wagering on horse races in Indiana;
- 8 (2) **to permit the sale of pari-mutuel pull tabs at racetracks**
- 9 **and satellite facilities in Indiana;** and
- 10 (3) to ensure that **the sale of pari-mutuel pull tabs and**
- 11 pari-mutuel wagering on horse races in Indiana will be conducted
- 12 with the highest of standards and the greatest level of integrity.
- 13 SECTION 20. IC 4-31-2-1.5 IS ADDED TO THE INDIANA CODE
- 14 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 15 1, 2002]: **Sec. 1.5. "Adjusted gross receipts" means:**
- 16 (1) **the total of all cash and property (including checks**
- 17 **received by a permit holder or satellite facility operator,**
- 18 **whether collected or not) received by a permit holder or**
- 19 **satellite facility operator from pari-mutuel pull tab sales;**
- 20 **minus**
- 21 (2) **the total of:**
- 22 (A) **all cash paid out as winnings for pari-mutuel pull tabs**
- 23 **to patrons; and**
- 24 (B) **uncollectible pari-mutuel pull tab receivables, not to**

1 exceed the lesser of:

- 2 (i) a reasonable provision for uncollectible patron checks
- 3 received from pari-mutuel pull tab sales; or
- 4 (ii) two percent (2%) of the total of all sums, including
- 5 checks, whether collected or not, minus the amount paid
- 6 out as winnings for pari-mutuel pull tabs to patrons.

7 For purposes of this section, a counter or personal check that is
 8 invalid or unenforceable under this article is considered cash
 9 received by the permit holder or satellite facility operator from
 10 pari-mutuel pull tab sales.

11 SECTION 21. IC 4-31-2-11.5 IS ADDED TO THE INDIANA
 12 CODE AS A NEW SECTION TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2002]: Sec. 11.5. "Pari-mutuel pull tab"
 14 means a game offered to the public in which a person who
 15 purchases a ticket has the opportunity to share in a prize pool,
 16 multiple prize pools, or a shared prize pool consisting of the total
 17 amount wagered in the game minus deductions by the permit
 18 holder or satellite facility operator selling the pari-mutuel pull tab
 19 and other deductions either permitted or required by law.

20 SECTION 22. IC 4-31-3-9 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. The commission
 22 may:

- 23 (1) adopt rules under IC 4-22-2, including emergency rules under
- 24 IC 4-22-2-37.1, to implement this article, including rules that
- 25 prescribe:

- 26 (A) the forms of wagering that are permitted;
- 27 (B) the number of races;
- 28 (C) the procedures for wagering;
- 29 (D) the wagering information to be provided to the public;
- 30 (E) the hours during which a racetrack or satellite facility
- 31 may sell pari-mutuel pull tabs under IC 4-31-7.5;
- 32 (F) fees for the issuance and renewal of:
 - 33 (i) permits under IC 4-31-5;
 - 34 (ii) satellite facility licenses under IC 4-31-5.5; and
 - 35 (iii) licenses for racetrack personnel and racing participants
 - 36 under IC 4-31-6;
- 37 ~~(F)~~ (G) investigative fees;
- 38 ~~(G)~~ (H) fines and penalties; and
- 39 ~~(H)~~ (I) any other regulation that the commission determines is
- 40 in the public interest in the conduct of recognized meetings
- 41 and wagering on horse racing in Indiana;

- 42 (2) appoint employees in the manner provided by IC 4-15-2 and
- 43 fix their compensation, subject to the approval of the budget
- 44 agency under IC 4-12-1-13;
- 45 (3) enter into contracts necessary to implement this article; and
- 46 (4) receive and consider recommendations from an advisory

development committee established under IC 4-31-11.

SECTION 23. IC 4-31-4-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.3. (a) This section does not apply to a person who satisfies all of the following:

- (1) The person was issued a satellite facility license before January 2, 1996.
- (2) The person operated a satellite facility before January 2, 1996.
- (3) The person is currently operating the satellite facility under the license.

(b) **This subsection does not apply to the operation of a satellite facility in a town described in section 2.6 of this chapter.** A person may not operate under a satellite facility license unless both of the following apply:

- (1) The county fiscal body of the county in which the satellite facility will be operated has adopted an ordinance under section 2.5 of this chapter.
- (2) The person secures a license under IC 4-31-5.5.

(c) **This subsection applies only to the operation of a satellite facility in a town described in section 2.6 of this chapter. A person may not operate under a satellite facility license unless both of the following apply:**

- (1) **The town fiscal body of the town in which the satellite facility will be operated has adopted an ordinance under section 2.6 of this chapter.**
- (2) **The person secures a license under IC 4-31-5.5.**

SECTION 24. IC 4-31-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county. However, before adopting the ordinance, the county fiscal body must:

- (1) conduct a public hearing on the proposed ordinance; and
- (2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

- (1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter; or
- (2) amend an ordinance already adopted by the county fiscal body to require that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter.

1 An ordinance adopted under this section may not be amended to apply
 2 to a person who has already been issued a permit under IC 4-31-5
 3 before amendment of the ordinance.

4 **(c) An ordinance adopted under this section authorizing a**
 5 **person to conduct pari-mutuel wagering on horse races at**
 6 **racetracks in the county may not be amended with the intent to**
 7 **restrict a permit holder's ability to sell pari-mutuel pull tabs under**
 8 **IC 4-31-7.5. An ordinance adopted by the county fiscal body**
 9 **permitting the sale of pari-mutuel pull tabs is not a requirement**
 10 **for the lawful sale of pari-mutuel pull tabs under IC 4-31-7.5.**

11 SECTION 25. IC 4-31-4-2.5 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) **This section**
 13 **does not apply to the operation of a satellite facility in a town**
 14 **described in section 2.6 of this chapter.**

15 **(b)** A county fiscal body may adopt an ordinance permitting the
 16 filing of applications under IC 4-31-5.5 for operation of a satellite
 17 facility in the county. However, before adopting the ordinance, the
 18 county fiscal body must:

- 19 (1) conduct a public hearing on the proposed ordinance; and
- 20 (2) publish notice of the public hearing in the manner prescribed
 21 by IC 5-3-1.

22 ~~(b)~~ **(c)** The county fiscal body may:

- 23 (1) require in the ordinance adopted by the county fiscal body that
 24 before applications under IC 4-31-5.5 to operate a satellite facility
 25 in the county may be filed, the voters of the county must approve
 26 the operation of a satellite facility in the county under section 3 of
 27 this chapter; or
- 28 (2) amend an ordinance already adopted in the county to require
 29 that before applications under IC 4-31-5.5 to operate a satellite
 30 facility in the county may be filed, the voters of the county must
 31 approve the operation of a satellite facility in the county under
 32 section 3 of this chapter.

33 An ordinance adopted under this section may not be amended to apply
 34 to a person who was issued a license under IC 4-31-5.5 before the
 35 ordinance was amended.

36 SECTION 26. IC 4-31-4-2.6 IS ADDED TO THE INDIANA CODE
 37 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 38 1, 2002]: **Sec. 2.6. (a) This section applies only to:**

- 39 **(1) a town having a population of more than one thousand five**
 40 **hundred (1,500) but less than two thousand two hundred**
 41 **(2,200) located in a county having a population of more than**
 42 **nineteen thousand three hundred (19,300) but less than twenty**
 43 **thousand (20,000); and**
- 44 **(2) a town having a population of less than one thousand five**
 45 **hundred (1,500) located in a county having a population of**
 46 **more than nineteen thousand three hundred (19,300) but less**

1 **than twenty thousand (20,000).**

2 **(b) The town fiscal body may adopt an ordinance permitting the**
 3 **filing of applications under IC 4-31-5.5 for operation of a satellite**
 4 **facility in the town. However, before adopting the ordinance, the**
 5 **town fiscal body must:**

- 6 **(1) conduct a public hearing on the proposed ordinance; and**
 7 **(2) publish notice of the public hearing in the manner**
 8 **prescribed by IC 5-3-1.**

9 SECTION 27. IC 4-31-5-15 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. **Except as**
 11 **provided in IC 4-31-7.5**, any fees or penalties collected by the
 12 commission under ~~IC 4-31-3-9(1)(E)~~ **IC 4-31-3-9(1)(F)** through
 13 ~~IC 4-31-3-9(1)(G)~~ **IC 4-31-3-9(1)(H)** shall be paid into the state
 14 general fund.

15 SECTION 28. IC 4-31-5.5-3 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) As used in this
 17 section, "live racing day" means a day on which at least eight (8) live
 18 horse races are conducted.

19 (b) The commission's authority to issue satellite facility licenses is
 20 subject to the following conditions:

- 21 (1) The commission may issue four (4) satellite facility licenses
 22 to each permit holder that:
 23 (A) conducts at least one hundred twenty (120) live racing
 24 days per year at the racetrack designated in the permit holder's
 25 permit; and
 26 (B) meets the other requirements of this chapter and the rules
 27 adopted under this chapter.

28 If a permit holder that operates satellite facilities does not meet
 29 the required minimum number of live racing days, the permit
 30 holder may not operate the permit holder's satellite facilities
 31 during the following year. However, the requirement for one
 32 hundred twenty (120) live racing days does not apply if the
 33 commission determines that the permit holder is prevented from
 34 conducting live horse racing as a result of a natural disaster or
 35 other event over which the permit holder has no control. In
 36 addition, if the initial racing meeting conducted by a permit
 37 holder commences at such a time as to make it impractical to
 38 conduct one hundred twenty (120) live racing days during the
 39 permit holder's first year of operations, the commission may
 40 authorize the permit holder to conduct simulcast wagering during
 41 the first year of operations with fewer than one hundred twenty
 42 (120) live racing days.

- 43 (2) Each proposed satellite facility must be covered by a separate
 44 application. The timing for filing an initial application for a
 45 satellite facility license shall be established by the rules of the
 46 commission.

(3) A satellite facility must:

(A) have full dining service available;

(B) have multiple screens to enable each patron to view simulcast races; and

(C) be designed to seat comfortably a minimum of four hundred (400) persons.

(4) In determining whether a proposed satellite facility should be approved, the commission shall consider the following:

(A) The purposes and provisions of this chapter.

(B) The public interest.

(C) The impact of the proposed satellite facility on live racing.

(D) The impact of the proposed satellite facility on the local community.

(E) The potential for job creation.

(F) The quality of the physical facilities and the services to be provided at the proposed satellite facility.

(G) Any other factors that the commission considers important or relevant to its decision.

(5) The commission may not issue a license for a satellite facility to be located in a county unless IC 4-31-4 has been satisfied.

(6) Not more than one (1) license may be issued to each permit holder to operate a satellite facility located in a county having a consolidated city. The maximum number of licenses that the commission may issue for satellite facilities to be located in a county having a consolidated city is two (2) licenses. Both satellite facilities must be located in a blighted area as designated under IC 36-7-15.1.

SECTION 29. IC 4-31-5.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. A permit holder or group of permit holders that is authorized to operate satellite facilities may accept and transmit pari-mutuel wagers on horse racing at those facilities and may engage in all activities necessary to establish and operate appropriate satellite wagering facilities, including the following:

(1) Live simulcasts of horse racing conducted at the permit holder's racetrack or at other racetracks. However, a satellite facility operated by a permit holder may not simulcast races conducted in other states on any day that is not a live racing day (as defined in section 3 of this chapter) unless the satellite facility also simulcasts all available races conducted in Indiana on that day.

(2) Construction or leasing of satellite wagering facilities.

(3) Sale of food and beverages.

(4) Advertising and promotion.

(5) Sale of pari-mutuel pull tabs authorized under IC 4-31-7.5.

(6) All other related activities.

SECTION 30. IC 4-31-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A person holding a permit to conduct a horse racing meeting or a license to operate a satellite facility may provide a place in the racing meeting grounds or enclosure or the satellite facility at which the person may conduct and supervise the pari-mutuel system of wagering by patrons of legal age on the horse races conducted or simulcast by the person. The person may not permit or use:

(1) another place other than that provided and designated by the person; or

(2) another method or system of betting or wagering, **except for pari-mutuel pull tabs as permitted by IC 4-31-7.5.**

(b) Except as provided in section 7 of this chapter and IC 4-31-5.5, the pari-mutuel system of wagering may not be conducted on any races except the races at the racetrack, grounds, or enclosure for which the person holds a permit.

SECTION 31. IC 4-31-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person less than ~~eighteen (18)~~ **twenty-one (21)** years of age may not wager at a horse racing meeting.

(b) A person less than ~~seventeen (17)~~ **twenty-one (21)** years of age may not enter the grandstand, clubhouse, or similar areas of a racetrack at which wagering is permitted unless accompanied by a person who is at least twenty-one (21) years of age.

(c) A person less than ~~eighteen (18)~~ **twenty-one (21)** years of age may not enter a satellite facility.

SECTION 32. IC 4-31-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 7.5. Pari-Mutuel Pull Tabs

Sec. 1. (a) This chapter applies only to the sale of pari-mutuel pull tabs by a person who holds a permit to conduct a pari-mutuel horse racing meeting issued under IC 4-31-5.

(b) This chapter does not apply to the sale of pull tabs by a qualified organization (as defined in IC 4-32-6-20) under IC 4-32.

Sec. 2. A pari-mutuel pull tab game must be conducted in the following manner:

(1) Each set of tickets must have a predetermined:

(A) total purchase price; and

(B) amount of prizes.

(2) Randomly ordered pari-mutuel pull tab tickets may be distributed from an approved location or from a distribution device to:

(A) the permit holder at the permit holder's racetrack or satellite facility, or both; or

(B) a terminal or device of the permit holder at the permit holder's racetrack or satellite facility, or both.

(3) A pari-mutuel pull tab ticket must be presented to a player in the form of a paper ticket or display on a terminal or device.

(4) Game results must be initially covered or otherwise concealed from view on the pari-mutuel pull tab ticket, terminal, or device so that the number, letter, symbol, or set of numbers, letters, or symbols cannot be seen until the concealing medium is removed.

(5) A winner is identified after the display of the game results when a player removes the concealing medium of the pari-mutuel pull tab ticket or display on a terminal or device.

(6) A winner shall receive the prize posted for the game from the permit holder.

Sec. 3. A person less than twenty-one (21) years of age may not purchase a pari-mutuel pull tab ticket.

Sec. 4. The sale price of a pari-mutuel pull tab ticket may not exceed ten dollars (\$10).

Sec. 5. (a) The sale, purchase, and redemption of pari-mutuel pull tab tickets is limited to the following locations:

(1) A live pari-mutuel horse racing facility operated by a permit holder under a recognized meeting permit first issued before January 1, 2001.

(2) A satellite facility located in a county having a consolidated city and operated by a permit holder described in subdivision (1).

(3) A satellite facility located in a county having a consolidated city and operated by a permit holder described in subdivision (4).

(4) A live pari-mutuel horse racing facility operated by a permit holder whose application to conduct pari-mutuel wagering on horse races at a racetrack located in a county having a population of more than forty thousand (40,000) but less than forty-one thousand (41,000) was accepted for filing by the commission before July 1, 2001.

(5) A satellite facility located in:

(A) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000); and

(B) a town having a population of less than one thousand five hundred (1,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(b) Pari-mutuel pull tab tickets may not be sold, purchased, or redeemed at any of the locations described in this section until the commission has issued recognized meeting permits to two (2)

1 unaffiliated permit holders to operate live pari-mutuel horse racing
2 facilities at two (2) separate locations.

3 (c) Notwithstanding IC 4-31-5.5-3, the commission may issue a
4 satellite facility license for a satellite facility described in
5 subsection (a)(4) before the permit holder commences an initial
6 racing meeting.

7 Sec. 6. The number and size of the prizes in a pari-mutuel pull
8 tab game must be finite but may not be limited.

9 Sec. 7. A list of prizes for winning pari-mutuel pull tab tickets
10 must be posted at a location where the tickets are sold.

11 Sec. 8. A permit holder may close a pari-mutuel pull tab game
12 at any time.

13 Sec. 9. A terminal or device selling pari-mutuel pull tab tickets
14 may be operated by a player without the assistance of the permit
15 holder for the sale and redemption of pari-mutuel pull tab tickets.

16 Sec. 10. A terminal or device selling pari-mutuel pull tab tickets
17 may not dispense coins or currency as prizes for winning tickets.
18 Prizes awarded by a terminal or device must be in the form of
19 credits for additional play or certificates redeemable for cash or
20 prizes.

21 Sec. 11. (a) A tax is imposed on the adjusted gross receipts
22 received from the sale of pari-mutuel pull tabs authorized under
23 this article at the rate of twenty percent (20%) of the amount of the
24 adjusted gross receipts.

25 (b) The permit holder shall remit the tax imposed by this section
26 to the department before the close of the business day following the
27 day the pari-mutuel pull tabs are sold.

28 (c) The department may require payment under this section to
29 be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

30 (d) If the department requires taxes to be remitted under this
31 chapter through electronic funds transfer, the department may
32 allow the permit holder to file a monthly report to reconcile the
33 amounts remitted to the department.

34 (e) The department may allow taxes remitted under this section
35 to be reported on the same form used for taxes paid under
36 IC 4-31-9.

37 Sec. 12. Before the fifteenth day of each month, tax revenues
38 collected under section 11 of this chapter during the preceding
39 month shall be deposited into the state general fund.

40 Sec. 13. (a) The commission, with input and assistance from the
41 Indiana gaming commission, may adopt rules under IC 4-22-2,
42 including emergency rules under IC 4-22-2-37.1, to implement this
43 chapter, including rules that prescribe:

44 (1) an approval process for pari-mutuel pull tab games that
45 require periodic testing by an independent entity under the
46 oversight of the commission to ensure the integrity of the
47 games to the public;

- (2) a system of internal audit controls;
- (3) a method of payment for pari-mutuel pull tab prizes that will allow a player to transfer credits from one (1) terminal or device to another;
- (4) a method of payment for pari-mutuel pull tab prizes that will allow a player to redeem a winning ticket for additional play tickets; and
- (5) any other procedure or requirement necessary for the efficient and economical operation of the pari-mutuel pull tab games and the convenience of the public.

(b) The commission may enter into a contract with the Indiana gaming commission for the provision of services necessary to administer pari-mutuel pull tab games.

Sec. 14. The commission may assess an administrative fee to a permit holder offering pari-mutuel pull tab games in an amount that will allow the commission to recover all the commission's costs of administering the pari-mutuel pull tab games.

Sec. 15. Within one (1) year after the commission issues a permit for the sale of pari-mutuel pull tab tickets at a location described in section 5(a)(2) or 5(a)(3) of this chapter, the permit holder shall provide at least fifteen million dollars (\$15,000,000) in improvements and infrastructure to support a facility as approved by the capital improvement board of managers established by IC 36-10-9-3.

Sec. 16. The commission may not permit the sale of pari-mutuel pull tab tickets in a county where a riverboat is docked.

Sec. 17. (a) As used in this section, "net receipts" means a permit holder's adjusted gross receipts, minus any taxes paid under section 11 of this chapter and IC 4-31-9-5.5.

(b) Three (3) years after the sale of pari-mutuel pull tab tickets begins at a location described in this chapter and every year thereafter, the permit holder shall pay a percentage of the permit holder's net receipts to the commission for purse money.

(c) The purse money fee for a permit holder in the third and fourth years of operating a pari-mutuel pull tab game is two percent (2%) of the permit holder's net receipts.

(d) For the following years of operation, the purse money fee is equal to the following percentages of the permit holder's net receipts:

Year 5	4%
Year 6	6%
Year 7	7%
Year 8	8%
Year 9	9%
Year 10 and each year thereafter	10%

Sec. 18. All shipments of gambling devices, including pari-mutuel pull tab machines, to permit holders in Indiana, the

1 registering, recording, and labeling of which have been completed
 2 by the manufacturer or dealer in accordance with 15 U.S.C. 1171
 3 through 15 U.S.C. 1178, are legal shipments of gambling devices
 4 into Indiana.

5 **Sec. 19.** Under 15 U.S.C. 1172, approved January 2, 1951, the
 6 state of Indiana, acting by and through elected and qualified
 7 members of the legislature, declares and proclaims that the state
 8 is exempt from 15 U.S.C. 1172.

9 SECTION 33. IC 4-31-9-5 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) **This section does**
 11 **not apply to a racetrack or satellite facility where pari-mutuel pull**
 12 **tab tickets are sold.** At the close of each day on which pari-mutuel
 13 wagering is conducted, each permit holder or satellite facility operator
 14 shall pay to the department of state revenue a tax equal to twenty cents
 15 (\$0.20) for each person who paid an admission charge for the privilege
 16 of entering the racetrack grounds or satellite facility on that day.
 17 Separate computations shall be made of the number of patrons at each
 18 location. If tickets are issued for more than one (1) day, the sum of
 19 twenty cents (\$0.20) shall be paid for each person using the ticket on
 20 each day that it is used.

21 (b) Before the fifteenth day of each month, the taxes collected under
 22 subsection (a) during the preceding month shall be distributed as
 23 follows:

24 (1) Fifty percent (50%) of the taxes shall be distributed in equal
 25 shares to the fiscal officers of:

26 (A) the city, if any;

27 (B) the town, if any; and

28 (C) the county;

29 in which the racetrack is located. The city, town, or county may
 30 use this money as general fund operating revenues.

31 (2) Fifty percent (50%) of the taxes shall be deposited in the state
 32 general fund.

33 (c) The tax imposed by this section is a listed tax for purposes of
 34 IC 6-8.1-1.

35 SECTION 34. IC 4-31-9-5.5 IS ADDED TO THE INDIANA CODE
 36 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY
 37 1, 2002]: **Sec. 5.5. (a) This section applies only to a racetrack or**
 38 **satellite facility where pari-mutuel pull tab tickets are sold. At the**
 39 **close of each day on which pari-mutuel wagering is conducted,**
 40 **each permit holder or satellite facility operator shall pay to the**
 41 **department of state revenue a tax equal to twenty cents (\$0.20) for**
 42 **each person who paid an admission charge for the privilege of**
 43 **entering the racetrack grounds or satellite facility on that day.**
 44 **Separate computations shall be made of the number of patrons at**
 45 **each location. If tickets are issued for more than one (1) day,**
 46 **twenty cents (\$0.20) shall be paid for each person using the ticket**
 47 **on each day that it is used. If no admission is charged, the permit**

holder or satellite facility operator shall compute the tax under this subsection using the procedure set forth in subsection (c).

(b) At the close of each day on which pari-mutuel wagering is conducted, each permit holder or satellite facility operator shall pay to the department of state revenue a tax of three dollars (\$3) for each person who paid an admission charge for the privilege of entering the racetrack grounds or satellite facility on that day. Separate computations shall be made of the number of patrons at each location. If tickets are issued for more than one (1) day, three dollars (\$3) shall be paid for each person using the ticket on each day that it is used. The tax imposed under this subsection is in addition to the tax imposed under subsection (a).

(c) If no admission is charged, the permit holder or satellite facility operator shall pay to the department of state revenue a tax of three dollars (\$3) for each patron who is present at the racetrack grounds or satellite facility at the time a patron count is recorded. Patron counts must be recorded one (1) hour after the start of each reporting period and once every two (2) hours thereafter under procedures approved by the commission. If the racetrack or satellite facility is not open to the public at the start of the reporting period, patron counts must be recorded one (1) hour after the racetrack or satellite facility begins admitting patrons during a reporting period and once every two (2) hours thereafter under procedures approved by the commission. The tax imposed under this subsection is in addition to the tax imposed under subsection (a).

(d) Before the fifteenth day of each month, the taxes collected under this section must be deposited in the state general fund.

(e) The taxes imposed by this section are listed taxes for purposes of IC 6-8.1-1.

(f) For purposes of this section, "reporting period" means a twenty-four (24) hour increment beginning at 6 a.m. on one (1) day and concluding at 5:59 a.m. on the following day.

SECTION 35. IC 4-33-2-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5.5. "Continuously moored vessel" means a vessel, formerly self-propelled, that previously cruised navigable waters but is continuously docked and removed from navigation.

SECTION 36. IC 4-33-2-5.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5.6. "Cruise" means to depart from the dock while gambling is conducted.

SECTION 37. IC 4-33-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. "Dock" means the location where ~~an excursion~~ a riverboat moors for the purpose of embarking passengers for and disembarking passengers from ~~a gambling excursion; the riverboat.~~

SECTION 38. IC 4-33-2-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 15.5. "Patron" means an individual who:**

- (1) boards a riverboat; and**
- (2) is not entitled to receive a tax free pass.**

SECTION 39. IC 4-33-2-15.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 15.7. "Permanently moored vessel" means a floating vessel that is:**

- (1) incapable of self-propulsion; and**
- (2) out of navigation.**

SECTION 40. IC 4-33-2-16.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 16.5. "Reporting period" means a twenty-four (24) hour increment used by the department to assess taxes under this article beginning at 6 a.m. on one (1) day and concluding at 5:59 a.m. the following day.**

SECTION 41. IC 4-33-2-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 17. "Riverboat" means any of the following on which lawful gambling is authorized under this article:**

- (1) A self-propelled excursion boat located in a county described in IC 4-33-1-1 that complies with IC 4-33-6-6.**
- (2) A continuously moored vessel located in a county described in IC 4-33-1-1 on which lawful gambling is authorized and licensed under this article: that complies with IC 4-33-6-6 or IC 4-33-16.**
- (3) A permanently moored vessel authorized under IC 4-33-6-10(b).**

SECTION 42. IC 4-33-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 10. If a riverboat cruises, the commission shall authorize the route of a the riverboat and the stops, if any, that the riverboat may make while on a cruise.**

SECTION 43. IC 4-33-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 13. (a) After consulting with the United States Army Corps of Engineers, The commission may do the following:**

- (1) Determine the waterways that are navigable waterways for purposes of this article;**
- (2) determine the navigable waterways that are suitable locations for the operation of riverboats under this article.**

(b) In determining the navigable waterways on which riverboats may operate, be located, the commission shall do the following:

- (1) Obtain any required approvals from the United States Army Corps of Engineers for the operation or docking of riverboats on**

those waterways.

(2) Consider the economic benefit that riverboat gambling provides to Indiana.

(3) Seek to ensure that all regions of Indiana share in the economic benefits of riverboat gambling.

(4) Considering IC 14-26-2-6, IC 14-26-2-7, and IC 14-28-1, conduct a feasibility study concerning:

(A) the environmental impact of the navigation and docking of riverboats upon Patoka Lake; and

(B) the impact of the navigation and docking of riverboats upon the scenic beauty of Patoka Lake.

SECTION 44. IC 4-33-4-21.2, AS AMENDED BY P.L.215-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 in the following locations:

(1) On each admission ticket to a riverboat ~~gambling excursion~~. **if tickets are issued.**

(2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.

(b) The toll free telephone line described in IC 4-33-12-6 must be:

(1) maintained by the division of mental health and addiction under IC 12-23-1-6; and

(2) funded by the addiction services fund established by IC 12-23-2-2.

(c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

SECTION 45. IC 4-33-4-22 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 22. The commission shall approve a riverboat's schedule, including the hours during which gambling games may be conducted within a reporting period.**

SECTION 46. IC 4-33-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) The commission may issue to a person a license to own one (1) riverboat subject to the numerical and geographical limitation of owner's licenses under this section, and IC 4-33-4-17. However, not more than eleven (11) owner's licenses may be in effect at any time. Except as provided in subsection (b), those eleven (11) licenses are as follows:

(1) Two (2) licenses for a riverboat that operates from **or is docked in** the largest city located in the counties described under IC 4-33-1-1(1).

(2) One (1) license for a riverboat that operates from **or is docked in** the second largest city located in the counties described under IC 4-33-1-1(1).

(3) One (1) license for a riverboat that operates from **or is docked** in the third largest city located in the counties described under IC 4-33-1-1(1).

(4) One (1) license for a city located in the counties described under IC 4-33-1-1(1). This license may not be issued to a city described in subdivisions (1) through (3).

(5) A total of five (5) licenses for riverboats that operate upon **or dock on** the Ohio River ~~from~~ in counties described under IC 4-33-1-1(2). The commission may not issue a license to an applicant if the issuance of the license would result in more than one (1) riverboat operating from **or docking in** a county described in IC 4-33-1-1(2).

(6) One (1) license for a riverboat that operates upon Patoka Lake from a county described under IC 4-33-1-1(3).

(b) If a city described in subsection (a)(2) or (a)(3) conducts two (2) elections under section 20 of this chapter, and the voters of the city do not vote in favor of permitting riverboat gambling at either of those elections, the license assigned to that city under subsection (a)(2) or (a)(3) may be issued to any city that:

(1) does not already have a riverboat operating ~~from~~ in the city; and

(2) is located in a county described in IC 4-33-1-1(1).

SECTION 47. IC 4-33-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) In determining whether to grant an owner's license to an applicant, the commission shall consider the following:

(1) The character, reputation, experience, and financial integrity of the following:

(A) The applicant.

(B) A person that:

(i) directly or indirectly controls the applicant; or

(ii) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.

(2) The facilities or proposed facilities for the conduct of riverboat gambling.

(3) The highest prospective total revenue to be collected by the state from the conduct of riverboat gambling.

(4) The good faith affirmative action plan of each applicant to recruit, train, and upgrade minorities in all employment classifications.

(5) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.

(6) If the applicant has adequate capitalization to provide and maintain a riverboat for the duration of the license.

(7) The extent to which the applicant exceeds or meets other standards adopted by the commission.

(b) In an application for an owner's license, the applicant must submit to the commission a proposed design of the riverboat and the dock. ~~The commission may not grant a license to an applicant if the commission determines that it will be difficult or unlikely for the riverboat to depart from the dock.~~

SECTION 48. IC 4-33-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. In an application for an owner's license, the applicant must state the dock at which the riverboat is based and the ~~navigable~~ waterway on which the riverboat will operate.

SECTION 49. IC 4-33-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) ~~If a riverboat that operates in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) cruises, the riverboat must:~~

(1) have a valid certificate of inspection from the United States Coast Guard for the carrying of at least five hundred (500) passengers; and

(2) be at least one hundred fifty (150) feet in length.

(b) A riverboat that operates on Patoka Lake must:

(1) have the capacity to carry at least five hundred (500) passengers;

(2) be at least one hundred fifty (150) feet in length; and

(3) meet safety standards required by the commission.

~~(c) This subsection applies only to a riverboat that operates on the Ohio River. A riverboat must replicate, as nearly as possible, historic Indiana steamboat passenger vessels of the nineteenth century. However, steam propulsion or overnight lodging facilities are not required under this subsection.~~

SECTION 50. IC 4-33-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) A licensed owner must post a bond with the commission at least sixty (60) days before the commencement of ~~regular gambling on the riverboat. excursions.~~

(b) The bond shall be furnished in:

(1) cash or negotiable securities;

(2) a surety bond:

(A) with a surety company approved by the commission; and

(B) guaranteed by a satisfactory guarantor; or

(3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.

(c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the licensee.

(d) The bond:

(1) is subject to the approval of the commission;

(2) must be in an amount that the commission determines will adequately reflect the amount that a local community will expend

for infrastructure and other facilities associated with a riverboat operation; and

(3) must be payable to the commission as obligee for use in payment of the licensed owner's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of a licensed owner's bond is insufficient, the licensed owner shall upon written demand of the commission file a new bond.

(f) The commission may require a licensed owner to file a new bond with a satisfactory surety in the same form and amount if:

(1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or

(2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the owner's license. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the licensed owner remains at the site for which the owner's license is granted for the lesser of:

(1) five (5) years; or

(2) the date the commission grants a license to another licensed owner to operate from the site for which the bond was posted.

(i) A licensed owner who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission for the benefit of the local unit from which the riverboat operated.

(j) The total and aggregate liability of the surety on a bond is limited to the amount specified in the bond and the continuous nature of the bond may in no event be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

(1) the time has run under subsection (h); and

(2) a written request is submitted by the licensed owner.

SECTION 51. IC 4-33-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. (a) An owner's license issued under this chapter permits the holder to own and operate one (1) riverboat and equipment for each license.

(b) **An owner's license issued under this chapter permits the holder to:**

- (1) conduct gambling games authorized under this article while the riverboat is cruising or docked; and
- (2) allow the continuous ingress and egress of passengers for purposes of gambling.

However, the license does not permit the holder to conduct gambling games on a permanently moored vessel unless the holder operates a riverboat that is located in a county that is adjacent to a county located in Indiana, Illinois, or Michigan containing land owned by a federally recognized American Indian tribe.

(c) An owner's license issued under this chapter must specify the place where the riverboat must operate and dock. However, the commission may permit the riverboat to dock at a temporary dock in the applicable city for a specific period of time not to exceed one (1) year after the owner's license is issued.

(d) An owner's initial license expires five (5) years after the effective date of the license.

SECTION 52. IC 4-33-6-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. The commission may revoke an owner's license if:

- (1) the licensee begins regular ~~riverboat excursions~~ **operations** more than twelve (12) months after receiving the commission's approval of the application for the license; and
- (2) the commission determines that the revocation of the license is in the best interests of Indiana.

SECTION 53. IC 4-33-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) Except as provided in subsection (b), a riverboat ~~excursions~~ **cruise** may not exceed four (4) hours for a round trip.

(b) Subsection (a) does not apply to an extended cruise that is expressly approved by the commission.

SECTION 54. IC 4-33-9-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. (a) This section applies only to a riverboat that operates from a county that is contiguous to the Ohio River.

(b) A ~~gambling excursion~~ **cruise** is permitted only when the navigable waterway for which the riverboat is licensed is navigable, as determined by the commission in consultation with the United States Army Corps of Engineers.

SECTION 55. IC 4-33-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A person who knowingly or intentionally:

- (1) makes a false statement on an application submitted under this article;
- (2) operates a ~~gambling excursion~~ **riverboat** in which wagering is conducted or is to be conducted in a manner other than the manner required under this article;

(3) permits a person less than twenty-one (21) years of age to make a wager;

(4) **aids, induces, or causes a person less than twenty-one (21) years of age who is not an employee of the riverboat gambling operation to enter or attempt to enter a riverboat; or**

(5) wagers or accepts a wager at a location other than a riverboat; or

(5) ~~makes a false statement on an application submitted to the commission under this article;~~

commits a Class A misdemeanor.

(b) A person who:

(1) is not an employee of the riverboat gambling operation;

(2) is less than twenty-one (21) years of age; and

(3) knowingly or intentionally enters or attempts to enter a riverboat;

commits a Class A misdemeanor.

SECTION 56. IC 4-33-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. An action to prosecute a crime occurring during a gambling ~~excursion on a riverboat~~ shall be tried in the county of the dock where the riverboat is ~~based~~ **located**.

SECTION 57. IC 4-33-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. **(a)** A tax is imposed on admissions to ~~gambling excursions a riverboat~~ authorized under this article at a rate of three dollars (\$3) for each ~~person admitted to the gambling excursion~~ **patron who is on board at the time a patron count is recorded**.

(b) Patron counts must be recorded one (1) hour after the start of each reporting period and once every two (2) hours thereafter under procedures approved by the commission.

(c) If the riverboat's schedule as approved by the commission does not provide for the riverboat to be open to the public at the start of the reporting period, patron counts must be recorded one (1) hour after the riverboat begins admitting patrons during a reporting period and once every two (2) hours thereafter under procedures approved by the commission.

(d) This admission tax is imposed upon the licensed owner conducting the gambling ~~excursion~~ **operation**.

SECTION 58. IC 4-33-12-6, AS AMENDED BY P.L.215-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsection (c) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the

quarter shall be paid to:

(A) the city in which the riverboat is docked **or located**, if the city:

(i) is described in IC 4-33-6-1(a)(1) through IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked **or located** in a city described in clause (A).

(2) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county in which the riverboat is docked **or located**. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked **or located**.

(4) Fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during a quarter shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To ~~a~~ **each** racetrack that ~~was~~ **has been** approved by the Indiana horse racing commission under IC 4-31. The **Indiana horse racing** commission may make a grant under this clause only for purses, promotions, and routine operations of ~~the a~~ racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before

the racetrack becomes operational and is offering a racing schedule. **If a permit holder sells pari-mutuel pull tabs at a racetrack or satellite facility, the maximum amount that the Indiana horse racing commission may grant for routine operations of the permit holder's racetrack is equal to:**

(i) the total amount granted under this section in a calendar year to a racetrack operated by a permit holder under a recognized meeting permit first issued before January 1, 2001; minus

(ii) the total adjusted gross receipts earned by a permit holder from the sale of pari-mutuel pull tabs for the twelve (12) months immediately preceding the date on which the grant is distributed.

(C) To county and 4-H fairs for the maintenance and operation of horse racing facilities.

The maximum amount paid to the Indiana horse racing commission under this subdivision in a fiscal year may not exceed twenty-six million dollars (\$26,000,000), minus the amount, if any, paid to the Indiana horse racing commission under IC 4-31-7.5-17. The remainder of the admissions tax revenue described in this subdivision shall be paid to the state general fund.

(c) With respect to tax revenue collected from a riverboat that operates on Patoka Lake, the treasurer of state shall quarterly pay the following amounts:

(1) The counties described in IC 4-33-1-1(3) shall receive one dollar (\$1) of the admissions tax collected for each person embarking on the riverboat during the quarter. This amount shall be divided equally among the counties described in IC 4-33-1-1(3).

(2) The Patoka Lake development account established under IC 4-33-15 shall receive one dollar (\$1) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(3) The resource conservation and development program that:

(A) is established under 16 U.S.C. 3451 et seq.; and

(B) serves the Patoka Lake area;

shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(4) The state general fund shall receive fifty cents (\$0.50) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(5) The division of mental health and addiction shall receive ten cents (\$0.10) of the admissions tax collected for each person embarking on the riverboat during the quarter. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of

1 compulsive gambling.

2 (d) Money paid to a unit of local government under subsection
3 (b)(1) through (b)(2) or subsection (c)(1):

4 (1) must be paid to the fiscal officer of the unit and may be
5 deposited in the unit's general fund or riverboat fund established
6 under IC 36-1-8-9, or both;

7 (2) may not be used to reduce the unit's maximum levy under
8 IC 6-1.1-18.5, but may be used at the discretion of the unit to
9 reduce the property tax levy of the unit for a particular year;

10 (3) may be used for any legal or corporate purpose of the unit,
11 including the pledge of money to bonds, leases, or other
12 obligations under IC 5-1-14-4; and

13 (4) is considered miscellaneous revenue.

14 (e) Money paid by the treasurer of state under subsection (b)(3)
15 shall be:

16 (1) deposited in:

17 (A) the county convention and visitor promotion fund; or

18 (B) the county's general fund if the county does not have a
19 convention and visitor promotion fund; and

20 (2) used only for the tourism promotion, advertising, and
21 economic development activities of the county and community.

22 (f) Money received by the division of mental health and addiction
23 under subsections (b)(5); and (c)(5):

24 (1) is annually appropriated to the division of mental health and
25 addiction;

26 (2) shall be distributed to the division of mental health and
27 addiction at times during each state fiscal year determined by the
28 budget agency; and

29 (3) shall be used by the division of mental health and addiction
30 for programs and facilities for the prevention and treatment of
31 addictions to drugs, alcohol, and compulsive gambling, including
32 the creation and maintenance of a toll free telephone line to
33 provide the public with information about these addictions. The
34 division shall allocate at least twenty-five percent (25%) of the
35 money received to the prevention and treatment of compulsive
36 gambling.

37 SECTION 59. IC 4-33-13-1 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A tax is imposed
39 on the adjusted gross receipts received from gambling games
40 authorized under this article at the rate of twenty percent (20%) of the
41 amount of the adjusted gross receipts set forth in the following table:

Adjusted Gross Receipts	Tax Rate
Reported during the Year	
Less than \$100,000,000	20%
At least \$100,000,000 but less than	

- | | | |
|---|---|--------------|
| 1 | \$150,000,000 | 22.5% |
| 2 | At least \$150,000,000 but less than | |
| 3 | \$200,000,000 | 25% |
| 4 | At least \$200,000,000 but less than | |
| 5 | \$250,000,000 | 30% |
| 6 | At least \$250,000,000 but less than | |
| 7 | \$300,000,000 | 40% |
| 8 | At least \$300,000,000 | 50% |
- 9 (b) The licensed owner shall remit the tax imposed by this chapter
- 10 to the department before the close of the business day following the day
- 11 the wagers are made.
- 12 (c) The department may require payment under this section to be
- 13 made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).
- 14 (d) If the department requires taxes to be remitted under this chapter
- 15 through electronic funds transfer, the department may allow the
- 16 licensed owner to file a monthly report to reconcile the amounts
- 17 remitted to the department.
- 18 (e) The department may allow taxes remitted under this section to
- 19 be reported on the same form used for taxes paid under IC 4-33-12.
- 20 **(f) Each month the department shall determine the following:**
- 21 **(1) The amount of taxes imposed by this chapter that are**
- 22 **remitted by a licensed owner.**
- 23 **(2) The amount of taxes imposed by this chapter that would**
- 24 **have been remitted by a licensed owner if the licensed owner's**
- 25 **adjusted gross receipts received from gambling games**
- 26 **authorized by this article had been taxed at the rate of twenty**
- 27 **percent (20%).**
- 28 **(3) The result of the subdivision (2) amount multiplied by**
- 29 **twenty-five percent (25%).**
- 30 **(4) The result of the subdivision (2) amount multiplied by**
- 31 **seventy-five percent (75%).**
- 32 **(5) The result of the subdivision (1) amount minus the**
- 33 **subdivision (2) amount.**
- 34 SECTION 60. IC 4-33-13-4, AS AMENDED BY P.L.273-1999,
- 35 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 36 JULY 1, 2002]: Sec. 4. Sufficient funds are annually appropriated to
- 37 the commission from the state gaming fund to administer this article.
- 38 **The allotment of money appropriated under this section is subject**
- 39 **to approval by the budget agency after review by the budget**
- 40 **committee.**
- 41 SECTION 61. IC 4-33-13-5, AS AMENDED BY P.L.273-1999,
- 42 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 43 JULY 1, 2002]: Sec. 5. After funds are appropriated under section 4 of
- 44 this chapter, each month the treasurer of state shall distribute the tax
- 45 revenue deposited in the state gaming fund under this chapter to the
- 46 following:
- 47 **(1) Twenty-five percent (25%) of the tax revenue remitted by The**

amount determined under section 1(f)(3) of this chapter for
each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a city described in IC 4-33-12-6(b)(1)(A);

(B) in equal shares to the counties described in IC 4-33-1-1(3), in the case of a riverboat whose home dock is on Patoka Lake; or

(C) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A) or a county described in clause (B). ~~and~~

~~(2) Seventy-five percent (75%) of the tax revenue remitted by~~
The amount determined under section 1(f)(4) for each licensed owner shall be paid to the build Indiana fund lottery and gaming surplus account.

(3) The amount determined under section 1(f)(5) of this chapter for each licensed owner shall be paid to the county treasurer of each county that does not have a riverboat licensed under this article. The treasurer of state shall make the payments to each county described in this subsection according to the ratio the population of the county bears to the total population of the counties that do not have a riverboat licensed under this article.

SECTION 62. IC 4-33-13-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) Money paid to a unit of local government under this chapter:

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's **calculated** maximum ~~or actual~~ levy under IC 6-1.1-18.5 **but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year without it being considered additional revenue in subsequent years;** and

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4.

(b) This chapter does not prohibit the city or county designated as the home dock of the riverboat from entering into agreements with other units of local government in Indiana or in other states to share the city's or county's part of the tax revenue received under this chapter.

SECTION 63. IC 4-33-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 16. Riverboat Safety Standards

1 **Sec. 1. A riverboat licensed under this article and not under the**
 2 **jurisdiction of the United States Coast Guard must comply with the**
 3 **safety requirements adopted by the commission. The commission**
 4 **shall consult with all applicable state and federal agencies to ensure**
 5 **compliance with standards for safety, design, construction,**
 6 **inspection, survey, and the moorings of a continuously moored**
 7 **vessel.**

8 **Sec. 2. The commission may adopt additional safety**
 9 **requirements to promote the safety of persons entering a riverboat.**

10 **Sec. 3. A licensee may not conduct gaming at a riverboat until**
 11 **all applicable standards have been met and the commission**
 12 **approves gaming on the riverboat.**

13 **Sec. 4. (a) A riverboat must undergo an inspection annually to**
 14 **determine the riverboat's continuing compliance with the safety**
 15 **requirements adopted by the commission.**

16 **(b) A riverboat must:**

17 **(1) have approved before licensure and annually thereafter a**
 18 **plan for firefighting and for the protection and evacuation of**
 19 **personnel; and**

20 **(2) have a staff sufficiently trained as required to execute the**
 21 **plan."**

22 Page 172, line 24, strike "(IC 4-31-9-3 through IC 4-31-9-5);" and
 23 insert "**(IC 4-31-7.5-11 and IC 4-31-9-3 through IC 4-31-9-5.5);"**.

24 Page 252, after line 42, begin a new paragraph and insert:

25 **"SECTION 278. IC 35-45-5-7 IS AMENDED TO READ AS**
 26 **FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. This chapter does not**
 27 **apply to the publication or broadcast of an advertisement, a list of**
 28 **prizes, or other information concerning:**

29 **(1) pari-mutuel wagering on horse races or a lottery authorized by**
 30 **the law of any state; or**

31 **(2) a game of chance operated in accordance with IC 4-32; or**

32 **(3) a pari-mutuel pull tab game operated in accordance with**
 33 **IC 4-31-7.5.**

34 **SECTION 279. IC 35-45-5-11 IS ADDED TO THE INDIANA**
 35 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 36 **[EFFECTIVE JULY 1, 2002]: Sec. 11. This chapter does not apply**
 37 **to the sale of pari-mutuel pull tab tickets authorized by**
 38 **IC 4-31-7.5."**

- 1 Page 300, line 30, after "[EFFECTIVE JULY 1, 2002]:" insert
- 2 "IC 4-33-2-8; IC 4-33-9-2; IC 4-33-12-2; IC 4-33-15;".
- 3 Renumber all SECTIONS consecutively.
 (Reference is to HB 1004 as printed January 22, 2002.)

Representative Pelath